

BRIEFING REPORT TO BOARD and COUNCIL MEMBERS of the
INTERNATIONAL MANAGEMENT and DEVELOPMENT INSTITUTE
4 MARCH 1980

Geopolitics and International Business

The business community must be involved in the geopolitics of the world. The international businessman is the only political-economic force transcending all national boundaries. To be a part of long-term policy planning is not only well within his capacity but a very definite obligation on his part.

This opinion was voiced by Henry R. Geyelin, chairman for IMDI's March 4 Washington Briefing Series, as IMDI Associates convened in the Carnegie Endowment for International Peace to assess the effects of current international tensions on the business community.

This Briefing Report will review the day's highlights:

- The U.S. strategic position, including the role of the Soviet Union;
- Focus on the Middle East;
- View from Great Britain (see box on reverse); and —
- Focus on the People's Republic of China, whose Embassy was the site of a luncheon for IMDI Corporate Associates hosted by His Excellency Chai Zemin (see box below).

The U.S. Strategic Position

CIA Director Stansfield Turner: "The Soviet Union has awakened this country by its blatant use of force in Afghanistan." In response, Turner continued, "one sees throughout the country a great resurgence of that will and resolve that we have had all along."

Turner felt that the relative strategic advantage of the U.S.S.R. in certain areas — e.g., in numbers of conventional land forces — remains diluted by weaknesses in quality of manpower, potentially unreliable allies, and the need to watch dual fronts. He noted that Soviet military performance in Afghanistan "has not come up to their own expectations."

Despite continued U.S. superiority in technology,

economic base, education, and ideology, said Turner, the United States must still meet the following challenges:

- To maintain its military posture, both in real terms and in others' perceptions of U.S. strength;
- To deal with the energy problem; and —
- To keep the U.S. economy and the dollar strong.

On the role of U.S. intelligence agencies, Turner emphasized the importance of objectivity in keeping policy-makers fully informed on the facts, underlying trends, and policy options of international situations. Noting recent increased support for U.S. intelligence activities, he hoped for a better "two-way street" of communication between the business and intelligence communities.

EXCERPTED

Agenda in Brief

Chairman: Henry R. Geyelin, President, Council of the Americas

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| • Hon. William R. Crawford, Executive Director of Islam Centennial Fourteen | • Walter Sterling Surrey, Senior Partner, Surrey & Morse; Director & General Counsel, National Council for U.S.-China Trade |
| • Sir Campbell Fraser, Chairman, Dunlop Holdings, Ltd. | • Hon. Stansfield Turner, Director of Central Intelligence |
| • Dr. Peter F. Krogh, Dean, Walsh School of Foreign Service, Georgetown University | • Hon. Clement J. Zablocki (D-WI), U.S. House of Representatives |
| • Hon. Paul H. Nitze, Chairman of Policy Studies, Committee on The Present Danger | • His Excellency Chai Zemin, Ambassador, The People's Republic of China |